

Family and Social Services Administration 2007 Budget Review



E. Mitchell Roob Jr.

Secretary

FSSA: A Healthcare Financing Organization



General & Dedicated Fund Appropriations (\$ millions)

Family Resources \$168	Admin \$26
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\$275	Mental Health	Disabilities & Rehabilitation \$180
Medicaid Admin \$44	Maternal & Child Health	Aging \$67

2008 State Medicaid Assistance Appropriation \$1,540 Million

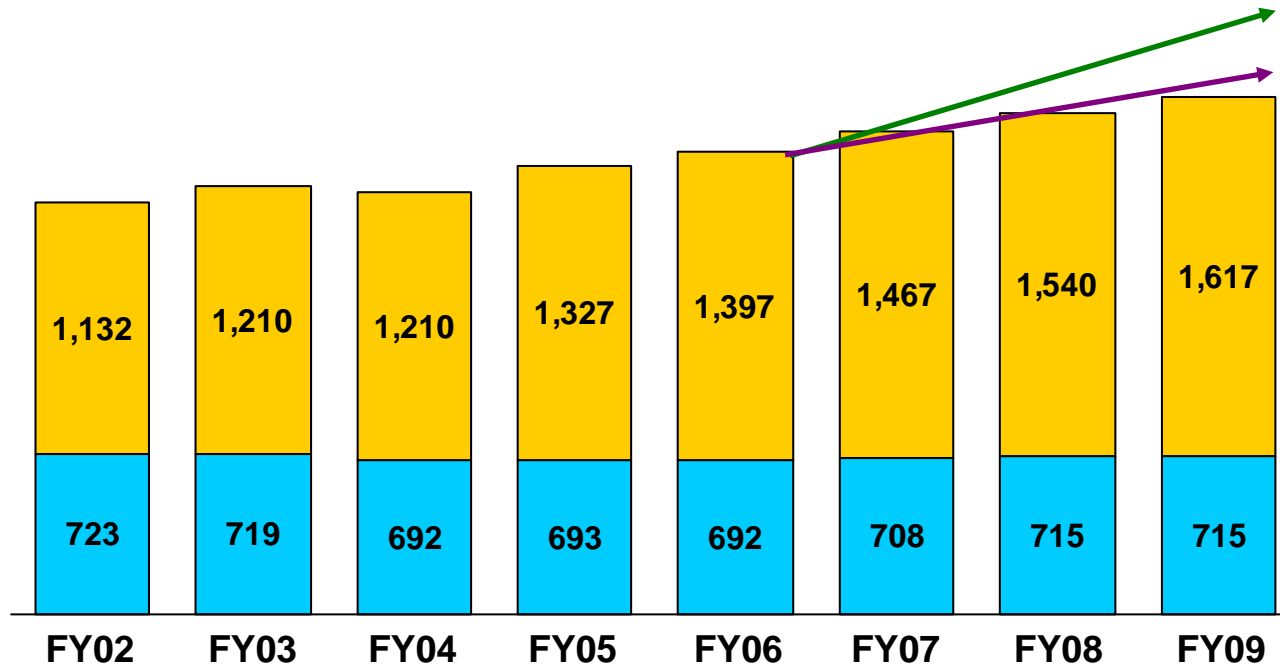
General Fund Appropriations Growth Projections



Medicaid Assistance vs. All Other State General Funds

\$ Millions

As Passed SFY 2008-2009 Budget



Medicaid Assistance



All Other State General Funds



10% Medicaid Assistance Growth



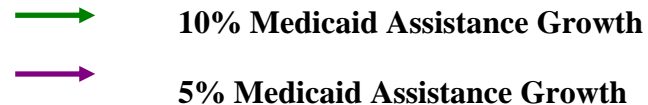
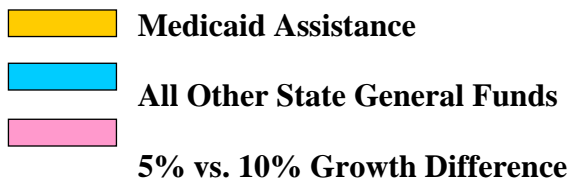
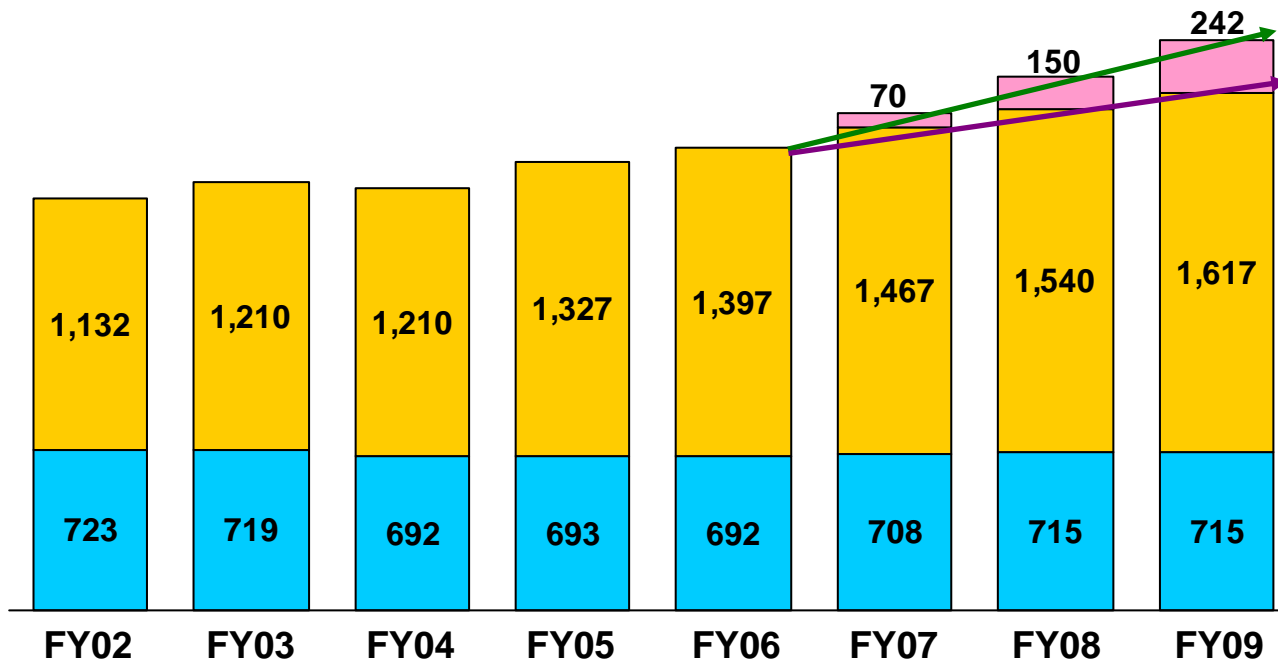
5% Medicaid Assistance Growth

General Fund Appropriations Growth Projections



Medicaid Assistance vs. All Other State General Funds

\$ Millions



Division of Family Resources Overview



2004 – State of Emergency

- Child Deaths – When Governor Daniels took office, Indiana was first in the nation in child deaths.
 - Between 1996 and 2004, Indiana lost more than one child a week on average from cases of abuse or neglect.
 - Toward the end of that same period, Indiana had the worst record in the nation and lost children at a rate nearly twice the national average.
- Welfare to Work – When Governor Daniels took office, Indiana was last in welfare to work.
 - The HHS ranked States' progress in moving families off welfare from August 1996 to December, 2005. Their ranking showed Indiana dead last among states in reduction of caseload after the 1996 Welfare Reform initiatives had been put into place.
 - Indiana was in danger of losing \$10 million in federal funding if it did not significantly increase the work participation rate of welfare recipients.

Division of Family Resources Overview



2004/2005 – The Beginning

- After Governor Daniels was elected, the future Budget Director Chuck Shalliol and future Secretary of FSSA Mitch Roob were tasked with developing a budget for the next 6 years.
- A conscious decision was made to split DCS from FSSA and put all available dollars into hiring caseworkers to protect children.
- Only human beings can help abused and neglected children, business processes, however, can increase the efficiency of signing up for Medicaid, TANF, food stamps, and welfare.

Advancements in Child Services

- Department of Child Services – as one of Governor Daniels first official acts, he signed an Executive Order creating the Indiana Department of Child Services
- Caseworkers – DCS has hired 800 new child protection workers – doubling the number of child caseworkers in the state
- Since 2005, the Governor has infused \$77 million into child welfare – all without raising taxes and doing so inside the first back-to-back balanced budgets in over 8 years.

Division of Family Resources Overview



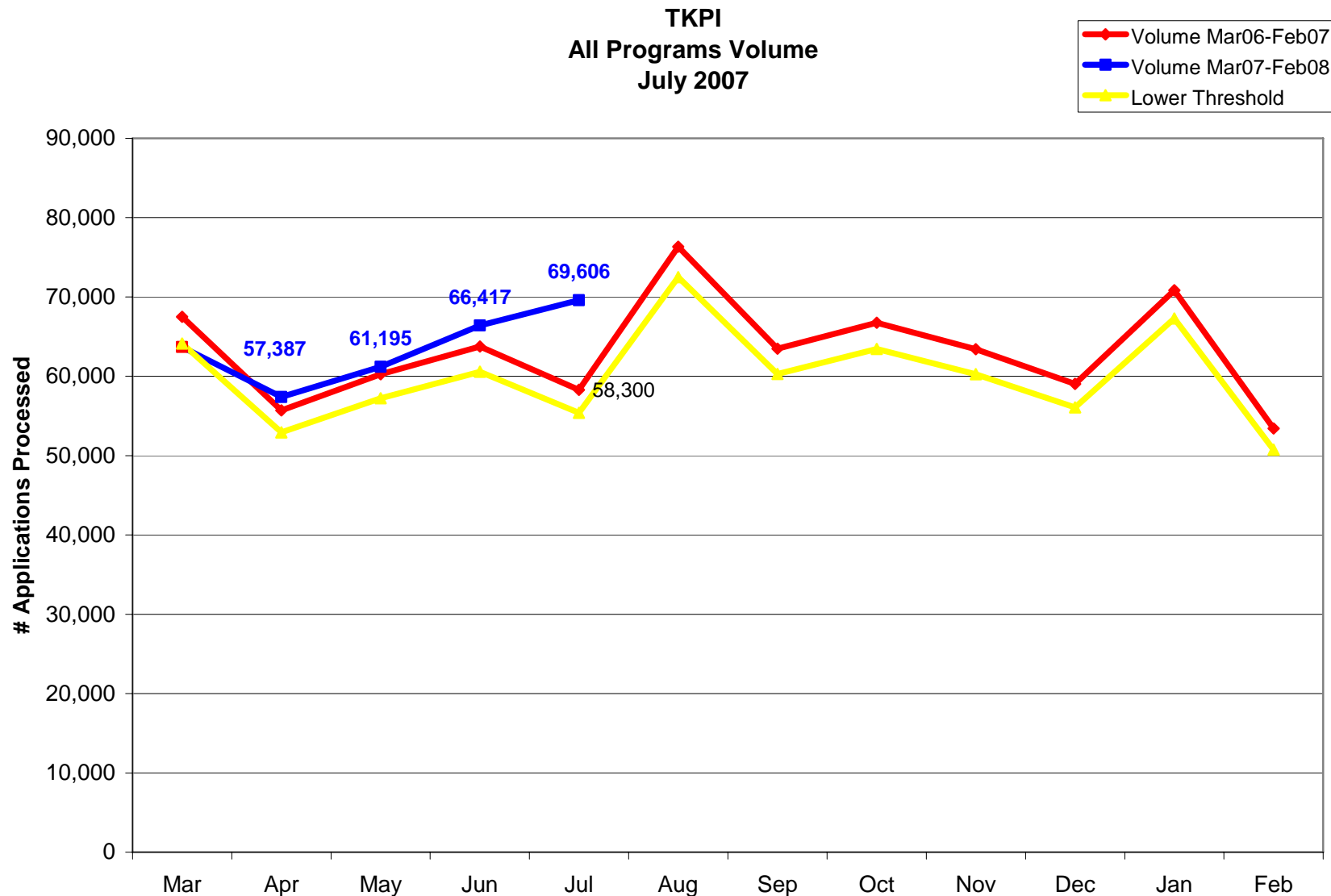
Modernization

- Transition began with the successful transfer of 1399 DFR employees to the IBM team.
- DFR is now processing many more applications during this transition than at this same time last year, and is processing them faster.
- Over 700 community groups have already signed up to be part of DFR's V-CAN network.

Child Care

- Decreased average CCDF wait list time from 64 to 33 days.
- More families in CCDF are working and putting their children in licensed center environments.
- Designed and have begun implementation of a Quality Rating System so parents will make better choices when choosing child care .

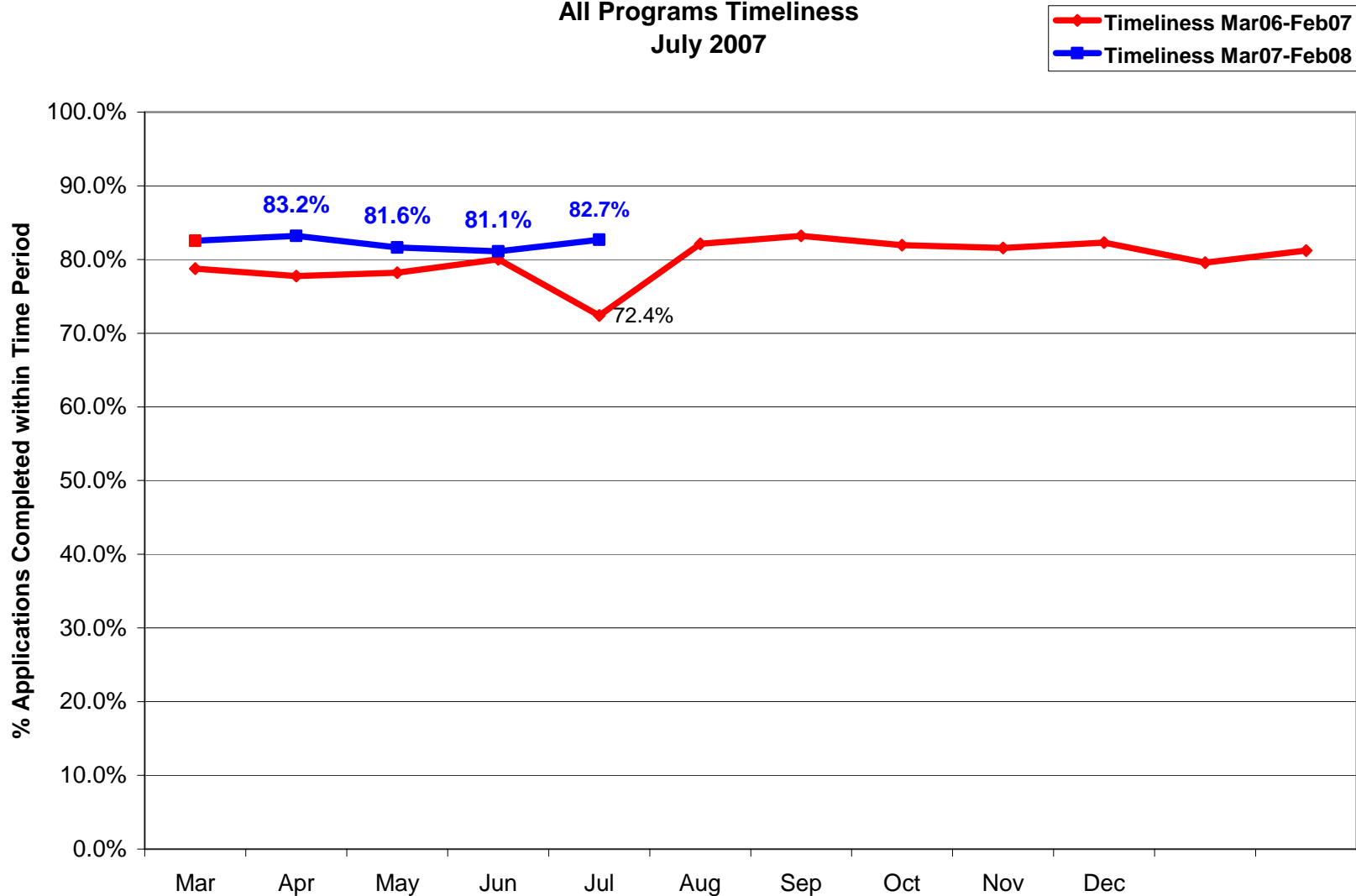
All Programs Application Volume 2006 vs. 2007



All Programs Processing Timeliness 2006 vs. 2007



TKPI
All Programs Timeliness
July 2007



Division of Disability & Rehabilitative Services Overview



Steps to Transformation

- Create the Division of Aging
- Serve the Waiting List
 - Daily Vouchers
 - ICLUB
 - Ft. Wayne State Development Center Closure

People in Service

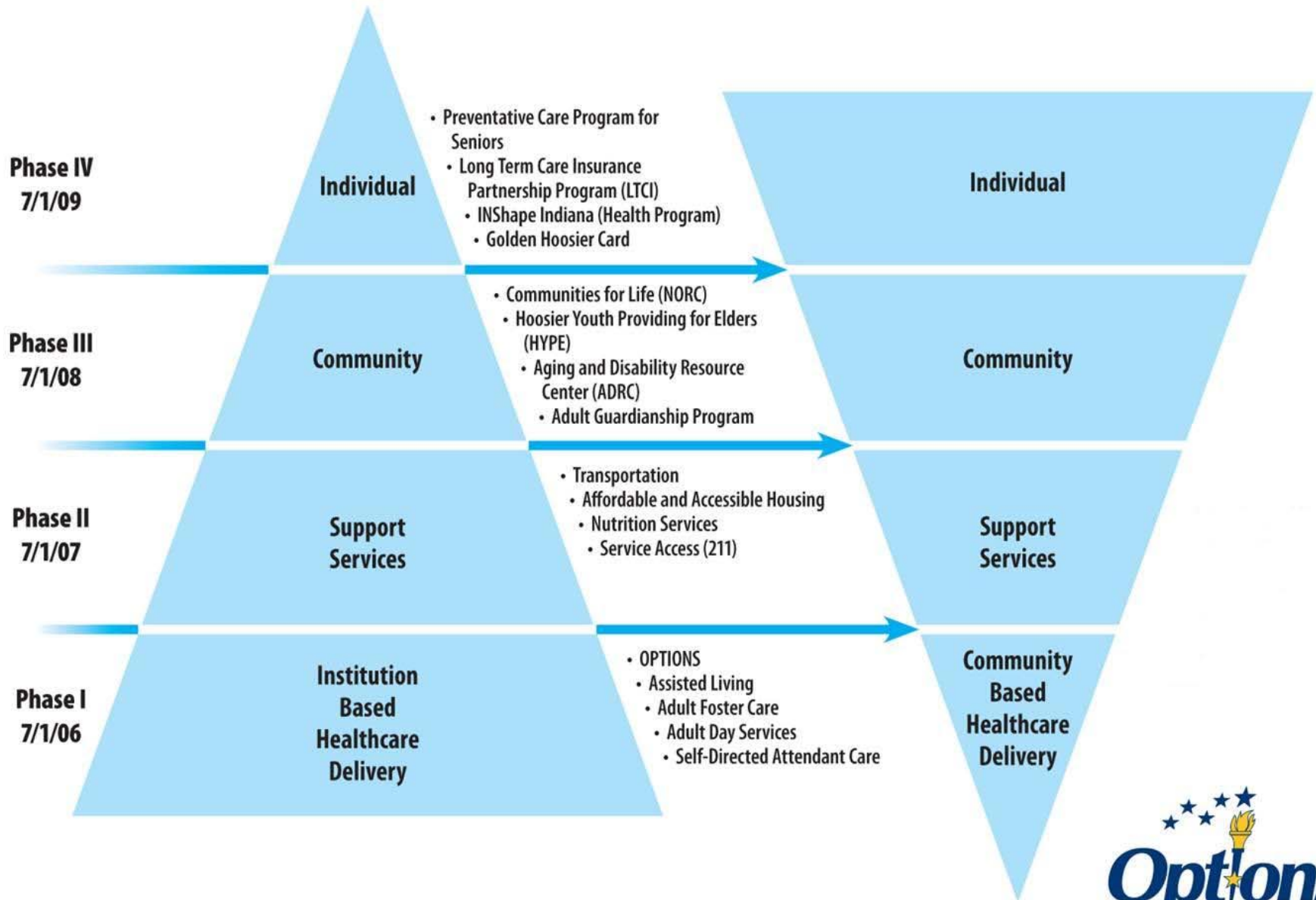
SFY2005	16,211
SFY2007	17,284
SFY2009 (Projected)	19,784
SFY2011 (Projected)	?

Division of Aging Overview



- **Create the Division of Aging to better serve our Senior Hoosiers.**
- **Implement SEA 493**
- **Keep people OUT of Nursing Homes (No one aspires to die in a nursing home)**
- **QAF**
- **Created Options Program (Adult Foster Care, Assisted Living, Adult Day Services, Self-Directed Attendant Care)**

SHIFT IN RELATIVE INVESTMENT



Division of Mental Health & Addiction Overview



- **2007 - Create Quantitative Measures of Quality**
- **2008 – Reward Quality**
- **HIP or HAP**

Transforming Mental Health and Addiction: CSR



Adult Case Review Outcome Categories

Status of the Participant in Individual Cases

<p>Outcome 2:</p> <p>Poor status for the participant, ongoing services minimally acceptable but limited in reach or efficacy.</p> <p>8% (12 cases)</p>	<p>Outcome 1:</p> <p>Good status for the participant, ongoing services acceptable.</p> <p>65% (101 cases)</p>	<p>Acceptable System Performance 73%</p> <p>Acceptability of Service System Performance in Individual Cases</p> <p>Unacceptable System Performance 27%</p>
<p>Outcome 4:</p> <p>Poor status for the participant, ongoing services unacceptable.</p> <p>15% (24 cases)</p>	<p>Outcome 3:</p> <p>Good status for the participant, ongoing services mixed or unacceptable.</p> <p>12% (19 cases)</p>	
Unfavorable Person Status 23%	Favorable Person Status 77%	

Transforming Mental Health and Addiction: CSR



Child Case Review Outcome Categories

Status of Child/Family in Individual Cases

Outcome 2: Poor status for child/family, ongoing services minimally acceptable but limited in reach or efficacy. 4% (6 cases)	Outcome 1: Good status for child/family, ongoing services acceptable. 56% (81 cases)	Acceptability of Service System Performance in Individual Cases Acceptable System Performance 60% Unacceptable System Performance 39%
Outcome 4: Poor status for child/family, ongoing services unacceptable. 17% (25 cases)	Outcome 3: Good status for child/family, ongoing services mixed or unacceptable. 22% (32 cases)	
Unfavorable Child Status 21%		Favorable Child Status 78%

Transforming Mental Health and Addiction



- Beginning in SFY08, a portion of a DMHA treatment provider's payments will be based on performance. DMHA will begin measuring:
 - **Process Measures – Timely submission of data, average number of clients served per month, and submission of reassessment data**
 - **Outcome Measures – Homelessness/living situation, employment, involvement in criminal/juvenile justice system, retention in care and reduced use of substances**

Office of Medicaid Policy & Planning Overview



Maternal & Child Health

- Managed Care
 - All Hoosier Healthwise
 - Risk Based Managed Care

Blind, Aged & Disabled

- Clinical Medical Care
- Care Management
 - Building on Medicaid Select

FSSA's goals for the Care Management Program

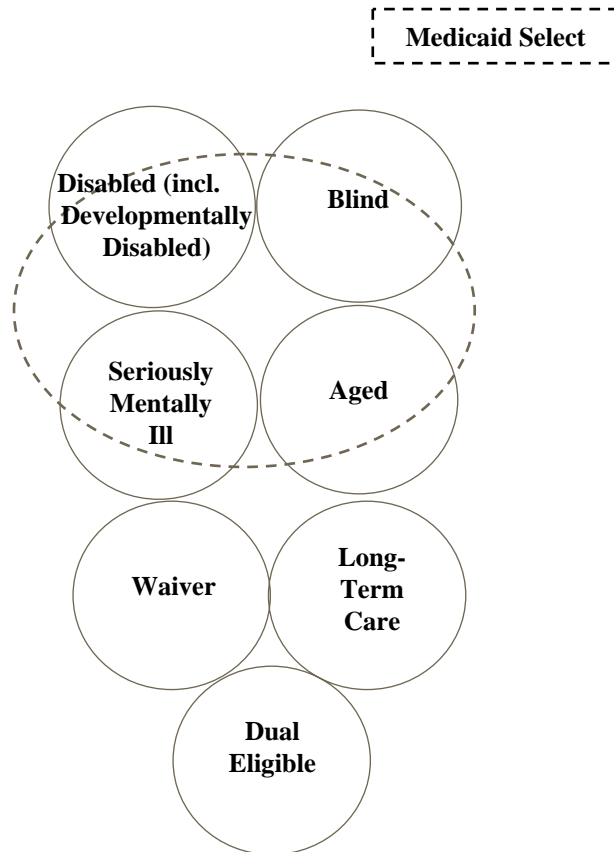


- To more effectively tailor benefits to the aged, blind and disabled (ABD) population's needs by using evidence-based medicine to manage services by duration, scope and severity
- To improve the quality of care and health outcomes for the target population
- To control the growth of health care costs for the target

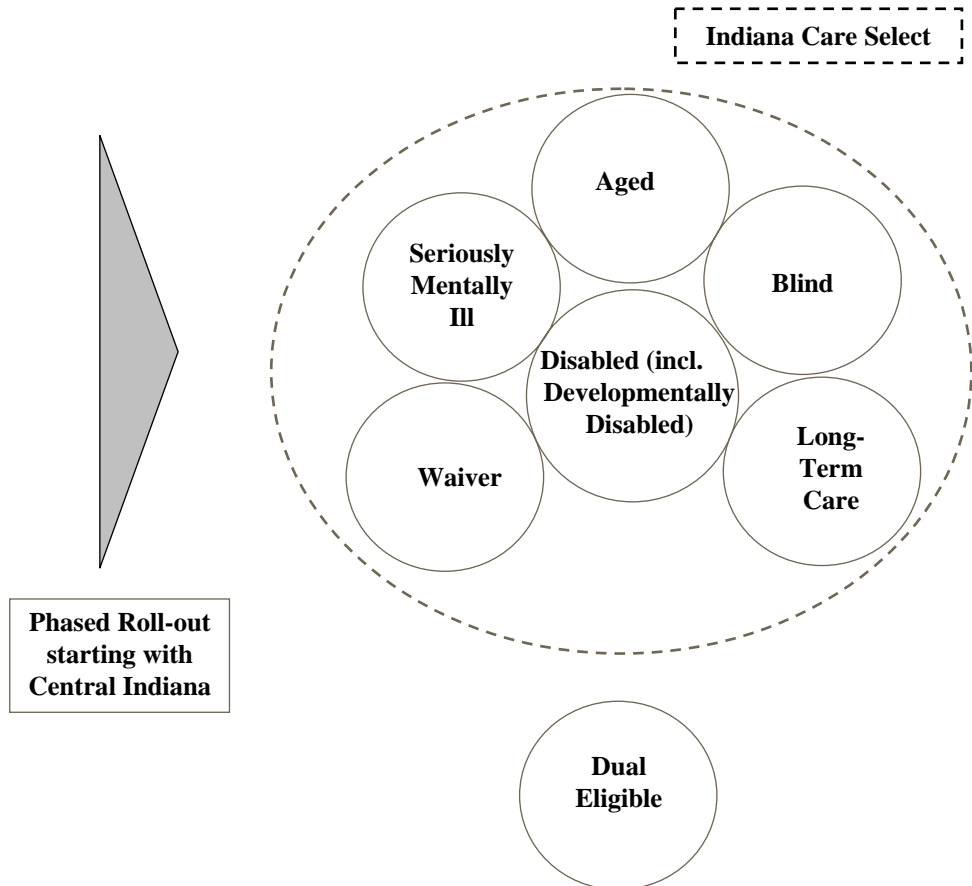
Program Population

The proposed Indiana Care Select program will cover several Medicaid Fee-for-Service (FFS) populations.

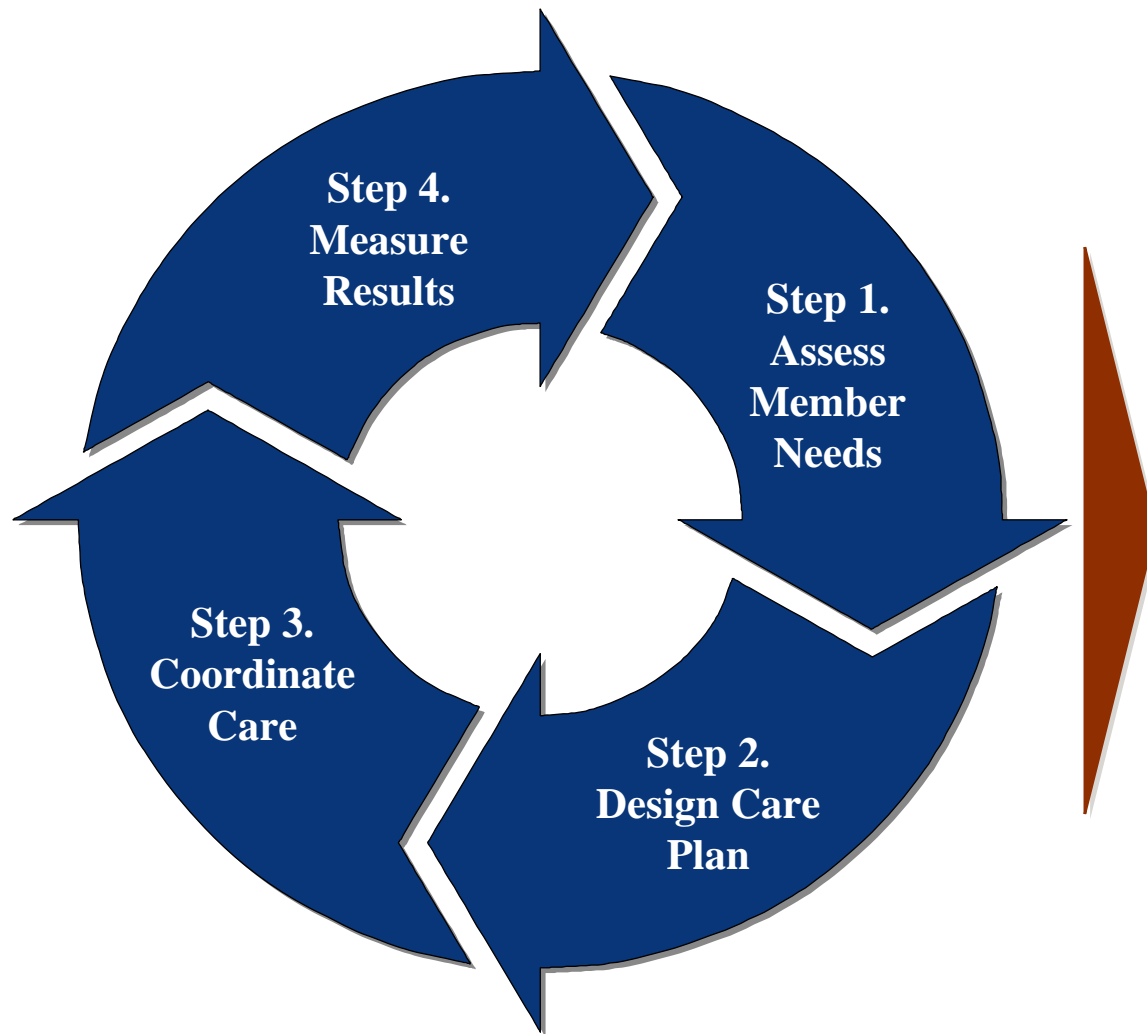
CURRENT STATE



PROPOSED FUTURE STATE When Fully Implemented (2009)



Program Dynamics: Care Management



Highlights

- Member assessment includes input from caregivers, families, and experts
- All members receive Level 1 through Level 4 care management, as appropriate
- Results of care plans reassessed at least annually

Indiana's State Legislature Passed a 44-Cent Cigarette Tax Increase



- **33 cents:** \$11 M to fund immunizations for children; remaining funds to go to health insurance plan
- **2 cents:** Funds to go toward an increase in physician reimbursement
- **1 cent:** Funds to go toward an increase in dental reimbursement
- **5 cents:** Funds to go toward other health initiatives (including \$1.2 M for ITPC)
- **3 cents:** Funds to go toward an employer's Section 125 plan

Who is Covered?



Eligible Group: 562,235 Hoosiers

- Uninsured, non-disabled **parents** of Medicaid/CHIP children from 22%-200% federal poverty level (FPL)
- **Pregnant women** up to 200% FPL
- Approximately 41,000 **childless adults** under 200% FPL (Roughly 11% of childless adults eligible)

Other :

- *Not* an entitlement program
- Participants must be: Uninsured for 6 months, and not eligible for employer sponsored health insurance

The Healthy Indiana Plan

\$500 Free Preventive Care

- Smoking Cessation
- Prostate Exam
- Diabetes
- Mammogram
- Physicals

POWER Account

\$1,100 Individual* and State Contributions

- Controlled by Participant to cover initial medical expenses

INSURANCE COVERAGE

\$300,000 Annual Coverage
\$1 Million Lifetime Coverage

Covered Services

- Physician Services
- Prescriptions
- Diagnostic Exams
- Disease Management
- Home Health Services
- Outpatient Hospital
- Inpatient Hospital

*Individual contribution not to exceed 4.5% of gross annual income

Next Steps: Federal Level



- **HIP provides a historical opportunity to reshape the nation's Medicaid program**
- **1115 Waiver pending approval from OMB & CMS**
 - **Give Indiana “credit” for running a modest program, raising new revenue (\$150/million) and for implementing system efficiencies immediately upon taking office**
 - **Need adequate funding to assure program is robust and to achieve goals**
 - **Need timely decision**

Next Steps: State Level



- RFS – 5 days after legislation passed
- Proposals are being reviewed
- Marketing and outreach plans underway
- Insurers announced in September/October
- Services to start January 2008
- Enrollment implementation will be refined in 2008

Marketing



- VCAN Network
- Community partnerships to publicize the program and help individuals enroll
- Advertising
- Direct marketing to:
 - **SCHIP parents**
 - **Providers**
 - **General public**
- Specific Marketing/Information on POWER accounts

Marketing



- **Contact:**
 - Website: www.HIP.IN.gov
 - Email: hipinfo@fssa.in.gov
 - Phone: (317) 234-5582 or (877) GET-HIP9
 - Website and Email addresses currently live
 - Phone number is live
 - New logo:



Family and Social Services Administration 2007 Budget Review



What's Next?

Healthy Indiana Plan

- December 2007 – Signups Begin
- January 2008 – Coverage Begins

Eligibility Modernization

- October 2007 – Region 1 Transition Begins
- January 2008 – Region 2 Transition Begins
- March 2008 – Region 3 Transition Begins
- April 2008 – Region 4 Transition Begins